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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

Assistance to Mozambique

Report of the Secretary-General**

I. Introduction

1. The dramatic economic and political recovery of Mozambique after the end of the 16-year civil conflict continued in 1999. Growth in per capita gross domestic product (GDP) in the past three years has been determined at 8.8, 9.7 and 7.3 per cent, respectively, while inflation fell below 6 per cent. Improvement in the human development index is also accelerating. For Mozambique, 1999 was the year in which it laid the foundation for a take-off that, in the absence of unforeseen shocks, should eventually remove it from the group of the poorest countries in the world. On the political front, the second successful multiparty election confirmed that Mozambique is on the path to parliamentary democracy. The Government was re-elected, but with a strong and vocal opposition. The first-ever elected municipal governments (33), elected in 1998, began work in 1999. Foreign investment is increasing, and aid levels have declined although marginally, showing continued donor support. A new land law came into effect, providing a firm base for peasant agriculture. Results of both the first-ever national poverty assessment and the first post-war census were published in 1999, with both exercises making clear the depth of the problems to be faced in the development of a comprehensive poverty programme. Finally, the United Nations agencies, working together, played a central role in developing the national strategy to combat human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS). It is hoped that the strategy will lay the foundation for containing the spread of the pandemic in Mozambique which, with a 14.5 per cent adult infection rate, has the 10th highest incidence level in the continent and, coincidentally, in the world.

2. Mozambique remains one of the 10 poorest countries in the world. The First National Poverty and Well-being Assessment, published in 1999, showed that 69 per cent of all Mozambicans live in absolute poverty. Mozambique was ranked 169 of 174 countries in the human development index for 1997.[1] Increasing life expectancy, higher enrolment rates and rising GDP are, however, all pushing up the human development index at an increasing rate, with improvements of more than 3.5 per cent expected for both 1998 and 1999. Mozambique is well below the sub-Saharan average for most development indicators. Life expectancy averages 43.5 years, infant mortality 146 per 1,000 live births, and 43 per cent of children under five years of age suffer from chronic malnutrition. The adult literacy rate

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** The footnote requested by the General Assembly in resolution 54/248 was not included in the submission.

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remains low at 40 per cent and is especially so for rural women (16 per cent). The national poverty assessment report observed that, in essence, Mozambique was starting from scratch, and that with so few roads, health facilities, schools and widespread poverty, it seemed that everything had to be done at once to create the conditions for the physical, human, financial and social capital necessary for progress.

3. History explains, in large part, the huge development challenge now facing this country. Independence came in 1975 after a 10-year war of liberation but, within years, the country was plunged into a civil war which lasted some 16 years. When that war ended with the peace accords of October 1992, damages were estimated at more than $20 billion (10 times the annual GDP in 1992). In the ensuing period, the Government, with the help of donors, including the United Nations, has rebuilt many of the schools and health posts and constructed new ones but some district towns still have rows of gutted buildings — vivid evidence of how much remains to be done. Of the country's roads, 10 per cent remain closed and 32 per cent are considered in poor condition and are often closed in the rainy season. In 1981, before the war, 93 per cent of children started primary school; the Ministry of Education hopes to return to that level, but not before 2004.

4. The recovery of Mozambique from such devastation in the relatively short time of seven years is considered remarkable but the country's economy remains extremely fragile. Post-war reconstruction has still not been completed. Life has improved since the war, in part owing to several years of favourable weather that contributed to increasing levels of agricultural production. Most people — from peasant farmers to those in small business — still have no reserves, however, and even small disruptions can have a disproportionate impact. Infrastructure remains extremely weak and a single washed-out road can cut off large communities. Floods, such as those that occurred in southern Mozambique in February 1999 and February 2000, set farmers, fishermen and other small businesses back many years. Mozambique will continue to need high levels of international assistance to complete reconstruction, and to build a more robust base for the kind of development that is essential to ending acute poverty. The United Nations system can continue to play a vital role, particularly in mobilizing international assistance for these efforts.

II. Political context

A. Multiparty election

5. The second successful multiparty election in December 1999 was another important step towards normality and demonstrated that the multiparty democratic process is taking root. As in the first multiparty election in 1994, there was a high turnout: 68 per cent of adults of voting age actually cast ballots in 1994 and 64 per cent did so in 1999. The voting process was smooth and peaceful, and drew high praise from international observers and from national observers who participated in large numbers for the first time. Again, Frente de Libertação de Moçambique (FRELIMO) and its president Joaquim Chissano were re-elected; Mr. Chissano won 52.3 per cent of the vote and his margin over opposition, the Resistência Nacional Moçambicana (RENAMO) leader Alfonso Dhlakama, was reduced compared to 1994. FRELIMO, however, increased its parliamentary majority, from 129 of 250 seats to 133 of 250 seats.

6. The election law of Mozambique allows a high level of transparency, with the presence of national and international observers and party agents at all times during the counting process. Nonetheless, the closeness of the elections led to allegations of fraud, subsequently rejected by both domestic and international observers. RENAMO appealed to the Supreme Court, demanding a recount. After a two-week investigation, the Court issued a very detailed ruling approving the election results. It rejected most of the points raised by RENAMO as misunderstandings of the process, noting that the Party had been represented on the national and provincial election commissions that had approved the decisions made. Finally, the Supreme Court ruled that, even with the high error rate, not enough votes were excluded to have changed the outcome.

7. The first-ever local elections in Mozambique took place in the largest 33 cities and towns in 1998, and the new municipal assemblies began work in 1999. Although local elections were boycotted by RENAMO and suffered from a low turnout (in sharp contrast to both the 1994 and 1999 national multiparty elections), candidates from citizens' lists and opposition parties were elected in 6 cities and have formed vocal oppositions within the local assemblies. These elections marked the first step in an extensive process

of decentralization, in which the new municipalities are progressively taking on powers over local services, basic health and education, and local economic development. This marks a significant departure from the very centralized system inherited from the colonial era, which continued during the one-party state period.

B. Political development

8. Mozambique was a one-party State from independence in 1975 until 1990, when a new constitution was adopted, creating a multiparty system with a separation of powers. The system has a strong President who appoints the Government, a Parliament which must approve the annual budget and plan as well as all legislation, and an independent court system. A revised draft constitution, which would have shifted powers from the President to Parliament, has been deferred to the new legislature, since consensus could not be reached on the final version. Parliament continues to grow in stature and experience and its committees are showing their emerging skills in investigating and shaping legislation. Parliament continues, however, to reflect a broader tension between local traditions of consensus and incorporation and the winner-take-all system in which the party with a majority of seats can dominate.

9. The changing political process runs much more deeply than simply elected bodies. A vibrant civil society of pressure groups, associations of business people, women, peasants, trade unions and churches is growing and becoming more active. An independent press is now well established, ensuring that a broad spectrum of political views and interest groups is heard. This political growth and vibrancy is particularly remarkable considering the national context: a country only recently emerging from a long and bitter period of conflict, low levels of literacy and widespread poverty, and all of this in a large country with poor communications.

C. Land law and peasant rights

10. An estimated 80 per cent of Mozambicans live in rural areas. Of this group, 98.5 per cent have at least some land and 90 per cent gain most of their living through subsistence agriculture, but nearly all use only a hoe as their main farming implement, while fewer than 10 per cent use fertilizer or incorporate irrigation practices. Raising the productivity of peasant farmers is considered critical to combating poverty, and securing their land occupancy rights is seen as the essential first step.

11. The new land law marks the most direct interaction between the new democracy and economic development issues. The law was approved in 1997 and regulations to enforce it came into effect in 1999. This involved four years of consultation and debate, with frequent redrafting, in one of the most open and democratic processes seen in Mozambique. Active campaigning and lobbying by civil society and intervention by Parliament led to the approval of firm occupancy rights for peasants and other landholders and the rejection of international pressure to allow land sales and mortgages. Other provisions saw women's rights increased, traditional leaders given a greater role, and the creation of a form of collective tenure. In addition, the powers of the Council of Ministers to reallocate land were restricted.

12. The law confirmed the overriding rights of present occupants, and required that all outstanding applications for land for development projects be resubmitted. Fewer than 10 per cent of these were, ending fears that widespread land grabbing would displace peasants. New and renewed applications would only be considered if local people had been consulted. Pressure groups and peasant associations launched massive publicity campaigns in 1999 to inform people of their rights, to good effect.

III. Economic context

13. In 1987, the Government introduced its economic rehabilitation programme, in partnership with the World Bank, with a package of liberalization of the economy, devaluation, spending constraints and strategic investment. Despite the intensifying war, this brought a 15 per cent increase in per capita GDP by 1990, as well as large increases in exports and industrial production, as inflation fell dramatically. In 1990 and 1991, GDP per capita (recently recalculated by the National Statistics Institute) was about $185. In 1990, however, a comprehensive stabilization and structural adjustment programme was introduced, with sharp restrictions on government spending and even limits on aid. The result was a decline in the economy. In 1992, GDP fell to $140 and it stayed below $150 for the ensuing three years, despite the end of the war and

better rains. By 1994, industrial production was half that of the 1990 level; inflation increased from 35 per cent in 1991 to 70 per cent in 1994. A public debate was initiated in 1995 by some donors which argued that strict structural adjustment was inappropriate for a post-war economy, and the adjustment programme was revised to allow rises in wages and in aid spending. This launched a four-year period of rapid growth of per capita GDP of 4.5 per cent (1996), 8.8 per cent (1997), 9.7 per cent (1998) and 7.3 per cent (1999), to reach a GDP per capita estimated at $246 in 1999. Inflation fell to below 6 per cent in 1997 and 1999, while in 1998 consumer prices actually fell by 1.3 per cent. Mozambique is now using a more accurate statistical base to calculate GDP, which has substantially increased estimates of GDP going back to 1991. Although the new methodology makes comparisons with the pre-1991 period difficult, it can safely be concluded that per capita GDP has surely not returned to pre-war 1980 levels, and Mozambique remains one of the poorest countries in the world.

A. Privatization and investment

14. A major privatization programme was begun in 1990 and, by the end of the decade, 1,200 firms had been privatized. Most large companies, including those in the banking, brewing and cement production sectors, were taken over by foreign firms. Many smaller companies were, however, sold to local entrepreneurs. Private management of core state services is another aspect of the ongoing structural reform programme. Management of customs duty collection had already been privatized, and foreign management of the urban water supply was agreed to in 1999. Private management of ports and railways is now being organized but in a way that maintains some Mozambican interest. Civil service reform took a step forward, with the introduction of a new career structure allied to a graduated system of salary increases (decompression), in an attempt to reverse the brain drain and to keep the more qualified and experienced staff in the public sector. Legal and judicial reform remains one of the major outstanding challenges. The commercial code dates back, in part, to the 18th century, and a new code will not be introduced before 2001.

15. Foreign investment has grown rapidly. In the seven years 1993-1999, $4.2 billion in foreign investments were approved, $1.2 billion in foreign direct investment and $3 billion in loans. Implementation has been slower, however, with only $284 million actually spent in 1998 ($213 million in investment and $81 million in private sector credit). In 1999, work started on the $1.3 billion Mozal aluminium smelter, by far Mozambique's largest investment project. In large part due to Mozal, 1999 saw $348 million in actual foreign direct investment and $495 million in foreign loans to the private sector. Mozal alone is believed to account for more than 2 per cent of the 7.3 per cent per capita GDP growth rate for 1999, leading to fears that growth is increasingly being generated by large projects. Neighbouring South Africa accounts for nearly one half of the foreign investment, either directly or via British-based companies. South African investment is split between large projects like Mozal, privatization of the breweries, and small tourism and industry projects. France and Portugal are the other two large investors. Concern is growing inside Mozambique about the increasing dominance of foreign investors and contractors which are stronger, better capitalized and more experienced than domestic firms, and there is an acknowledged need for support to the emerging indigenous private sector.

B. Macroeconomic trends

16. Traditional exports, notably prawns, cashew nuts and cotton, have remained steady over the past three years, at $230 million per year. The Cahora Bassa dam began exporting power to South Africa and Zimbabwe in 1998 and electricity export earnings jumped to $52 million in 1999. Service income from transport and tourism also stabilized at $130 million a year. Thus, exports of goods and services still cover only one half of imports, excluding capital imports for the big projects.

17. Aid remains absolutely essential to the Mozambican economy, and development assistance levels are falling more slowly than had been predicted. Grants and loans to Mozambique declined from $1,141 million in 1995 to $835 million in 1998 and are believed to have fallen to $800 million in 1999. With the near total phasing-out of emergency assistance, food aid and resettlement assistance, there has been a shift towards longer-term development goals. Of assistance provided in 1998, $593 million (71 per cent) was grants, of which $448 million was bilateral, $93

million from the European Union and $52 million from the United Nations system. The remaining $238 million comprised loans, of which $133 million came from the World Bank. One third of donations and all loans are for investment projects; nearly one third of grants is direct balance-of-payment support to the Government. Mozambique remains one of the most aid-dependent countries in the world, but declining levels and the recalculation of GDP means that aid in 1999 was only 19 per cent of GDP, compared to 49 per cent in 1995. This is, however, still well above the average for sub-Saharan Africa (7 per cent in 1997) and for low human development countries (10 per cent in 1997).

18. Debt relief under the first phase of the Heavily Indebted Poor Countries (HIPC) initiative was granted in mid-1999. More debt relief was granted than had been proposed in 1998 because the international financial institutions had overestimated Mozambique's export growth; roughly one half of Mozambique's public and publicly guaranteed debt was cancelled. In 1998, Mozambique had been scheduled to pay $344 million in debt service (interest and principal repayments) but paid only $104 million. After HIPC debt relief, the debt service payments in 2000 will be $76 million, a real gain of $28 million, although not enough to cover the fall in aid. Mozambique is expected to have a further amount of debt cancelled in 2000 under the modified Cologne terms of HIPC, which could bring debt-service payments in 2001 down to $57 million.

19. Although economic recovery has been impressive, it must be remembered that the country started from a very low base, and this continues to create substantial problems. The base for taxation is very small. Customs duties account for one sixth of tax revenue, and while privatization of customs administration has improved the efficiency of collection, this has been matched by a reduction in import duties as part of the liberalization of the economy, with a further cut planned for 2001. More than one third of revenue comes from taxes on consumer purchases, with the introduction of a value-added tax in 1999, which replaced the old circulation (sales) tax. Similarly, savings rates remain very low. The banking system, although now privatized, remains concentrated at Maputo and has so far proved unable to mobilize national savings or to lend effectively to entrepreneurs and small businesses in the rural areas, which will be key to development. Interest rates remain prohibitively high (22 per cent compared to inflation of under 6 per cent). Meanwhile, Mozambique's national business sector remains weak, having so far not recovered from skill deficits and the decapitalization caused by the war.

20. Tax revenues remain at about 11.5 per cent of GDP. Government current expenditure rose from 9.5 per cent of GDP in 1997 to 10.6 per cent in 1999, and the levels are rising slowly. There was a substantial hike in 1999 because of an increase in the minimum wage and an increase in civil service salaries. The Mozambican Human Rights League identified prevailing low wages as the main cause of growing petty corruption. Health and education spending have risen rapidly, while military spending has been falling since the end of the war. In 1999, the Government expected to spend $96 million on recurrent education costs (such as teachers' salaries), $89 million on defence and security, $86 million on debt service (after having been granted HIPC debt relief) and $57 million on recurrent health costs.

IV. Poverty reduction

21. The 1999 national poverty assessment succeeded in shedding light on the extremely high levels of poverty in the country. Poverty lines based, inter alia, on the costs of basic food, clothing etc., were set for each province, and separately for urban and rural areas, and ranged from US$ 0.76 per day in the capital, Maputo, to US$ 0.30 a day in rural Nampula province. The survey found that 69 per cent of Mozambicans lived below the poverty line and that there was relatively little difference between urban and rural areas, where 62 per cent and 71 per cent, respectively, were below the poverty line. The study also reviewed the absolute-poverty line, indicating people who could not even afford basic food, and found that 53 per cent of Mozambicans were living in abject poverty. Since the majority of Mozambicans grow most of their own food, these figures, which take into account auto-consumption, confirm that Mozambique remains one of the poorest countries in the world.

22. Despite the high prevalence of poverty in Mozambique, it is unevenly distributed. Forty-eight per cent of the people of Maputo are poor. Sofala in central Mozambique has the worst level, with 88 per cent of the population poor and a poverty gap of 49 per cent, signifying that the mean income of that province's

population is only 51 per cent of a poverty income. Both of these figures are significantly worse than the two other poorest provinces, Inhambane and Tete (with a poverty gap of 83 per cent and 39 per cent, respectively).

23. The Mozambican poverty survey also highlighted the differentiated incidence of poor levels of health and education across different population groups. Only 16 per cent of rural adult women are literate, compared to 52 per cent of rural men, 32 per cent of urban women and 65 per cent of urban men. Few Mozambicans have even completed primary school: 5 per cent of rural women, 18 per cent of rural men, 33 per cent of urban women and 53 per cent of urban men. School enrolment remains low. In 1999, only 49 per cent of children aged between 7 and 11 years and 48 per cent of children aged between 12 and 17 years attend school. These figures fall to 33 per cent and 29 per cent for rural girls. Poor and absolutely poor households have more children working and are less likely to send children to school. Health levels remain poor. At least 43 per cent of children suffer chronic malnutrition (as measured by height for age) and this figure seems relatively unaffected by poverty levels, although the problem is significantly worse in rural areas.

24. Surprisingly, female-headed households are slightly less likely to be poor. Educating women in rural areas is thus seen as one of the most productive actions that government can take, since it is linked to significant increases in household consumption and improved health and nutritional status of children.

A. Action to reduce poverty

25. The poverty study found five critical determinants of poverty in Mozambique:

(a) Low educational levels of economically active adults, which affect family income directly but which also limit opportunities for non-agricultural earnings;

(b) High numbers of dependent children in proportion to adult workers;

(c) Low productivity of the family farming sector in general;

(d) Lack of alternative employment opportunities;

(e) Weak infrastructure in rural areas (i.e., poor roads, lack of markets, limited access to credit, lack of information about improved techniques etc.).

26. In November 1999, the Government set out its draft five-year plan to reduce absolute poverty, which tries to target these problems. In education, quite a dramatic increase is proposed, for example, the number of classrooms is to grow from 2,331 in 1999 to 4,442 by 2004, and the number of teachers from 3,210 to 5,553. Lower-level technical schools are to be opened in all provinces. Adult education and literacy is, however, largely to be left to the private sector — non-governmental organizations in the rural areas, churches, private schools and companies which train their own workers — as the severely stretched Ministry of Education finds itself unable to divert resources to this area for the immediate future.

27. Better peasant farming is the key to ending acute poverty. The revised land law is a key step in ensuring that peasants continue to have access to land, and now the challenge is to increase productivity, in particular of subsistence farmers with small plots. The Ministry of Agriculture has been renamed the Ministry of Agriculture and Rural Development and is pressing to increase peasant productivity, but there is a long way to go. Measures proposed include the increased use of fertilizers and pesticides, from the 2 per cent use by the population in 1999 to 6 per cent in 2003, and expanded access to extension services, from 18 per cent to 27 per cent. The other prescription is to raise rural incomes through employment. Job creation in rural areas is to be encouraged through labour-intensive schemes, such as road repair and maintenance, and through self-employment and microcredit. Rural people want access to jobs with conventional employers but this is not feasible since investment levels remain low in these areas.

28. Grant and loan funds will be essential for poverty reduction programmes, and the Ministry of Agriculture and Rural Development has itself been going through a fraught seven-year discussion to create a ministry-donor coordinated sectoral expenditure programme. The resulting product, ProAgri, was approved for implementation in January 1999. This is intended to lead to an agreed programme with all 18 donors and lenders pooling their funds of about $40 million per year and increasingly channelling them, through the Ministry's budget, on to provinces through increased decentralization. This should have started in 1999, and

donors and lenders have for the first time presented detailed lists of their projects in agriculture. Few, however, are participating as yet in the central funding. In a joint donor-government statement, ProAgri was described as a contract between donors and government that would empower government to take the lead in coordinating donors. In practice, however, widely different donor accounting processes, policy priorities and project interests have so far made this very difficult. ProAgri is seen as a model for a sector-wide approach, but it has also shown how much time and energy must be invested in setting up accounting and coordination methods for this sector before there is any direct impact on rural poverty.

B. Regional and local disparities

29. Much of Mozambique's growth has been at Maputo and in Maputo province in the far south of the country. The Maputo corridor links the port of Maputo to Johannesburg in South Africa and is being developed jointly by the two countries as a development corridor. A new toll road and the Mozal aluminium plant are already under construction, and other major projects are under discussion. Mozambique's investment promotion centre reports that, of investments approved in 1999, 69 per cent (by value) are in the Maputo corridor. The Maputo corridor contains only 10 per cent of Mozambique's population, yet it already accounts for one third of GDP, and private investment plans seem certain to increase that disparity. The Government has given priority to reopening roads closed during the wars, as well as railways in the centre and north, and is actively promoting investment in the Zambeze River valley, but it has been unable to provide sufficient regional incentives to overcome the preference of private investors to be close to South Africa. Another problem is the inability to protect domestic industry, even for short periods, as the country rebuilds after the war.

30. At the same time, the rapid rise in peasant production has contributed consistently to the sustained GDP growth experienced since 1995. Millions of peasants who were displaced to towns or had fled to neighbouring countries during the war returned to their farms, benefiting from 3 to 5 consecutive years of generally good rains. The pattern is, however, very mixed; in some areas, peasants are visibly better off but in more remote areas the commercial network has still not been re-established, eight years after the end of the war, and peasants are often unable to sell their surplus crops (and thus have no money to buy goods from travelling traders). The first *National Human Development Report* (1998) for Mozambique, published in 1999 with support from the United Nations Development Programme, pointed to the economic isolation to which a large number of rural communities were condemned. Most peasant families once survived on a mix of production for auto-consumption, sale of surplus crops and some wage labour from at least one family member. This pattern has not been re-established. There is a lack of jobs in rural areas, and many traders still seem unable to obtain credit to reopen the shops that had formed an essential part of rural life. High interest rates also discourage job-creating domestic investment. In its five-year plan to reduce absolute poverty, the Government has targeted those areas with the greatest agricultural potential, rather than those with the worst poverty. This policy choice raises the issue of choice between a larger increase in overall GDP, with the potential for wider income gaps, and discontent in poor areas.

31. On the basis of available data, the 1999 national poverty assessment concluded that, since the end of the war there may have been a modest reduction in poverty in urban areas. It was not possible to make comparisons in rural areas. The 1999 *National Human Development Report*, however, warned that in Mozambique the social cost of adjustment was excessively high and that per capita household consumption might have fallen. The Catholic Bishops Conference issued a pastoral letter in April 1999 which said that growth was not reaching down to the majority of people and that poverty and misery were increasing. Unemployment, in particular of youth and people who lost their jobs through privatization, is a particular problem, according to the Bishops, who noted further that even those who had jobs were paid starvation wages and that prices were rising faster than salaries.

V. HIV/AIDS

32. The war cut Mozambique off from the neighbouring States, and delayed the arrival of the HIV/AIDS epidemic, although the return of refugees and the new opening to trade led to rapid change. Malaria remains a bigger killer, and adult HIV-

infection rates are about 15 per cent, significantly less than in some neighbouring States. Mozambique, however, proved unable to make the maximum use of the extra window of opportunity, and HIV/AIDS gained real prominence as an issue only in 1999. One reason was the rising death rate, at present over 60,000 per year, and the acknowledgement, recently, of AIDS as the cause of death in the obituaries of prominent people. The national strategic plan to combat sexually transmitted diseases and HIV/AIDS was approved in 1999, and aims to keep HIV/AIDS levels at 17 per cent of the adult population. Even so, the impact of the rising incidence of HIV/AIDS on the country will be dramatic. In the absence of effective and timely measures to curb the spread of the virus, new projections suggest that, by 2005, there will be 150,000 adult deaths and 20,000 child deaths each year. This will actually reduce life expectancy in Mozambique from the present 42 years to 37 years, and will halve the rate of population growth. The number of orphans caused by AIDS will exceed 700,000 by 2005. The economic impact is expected to be significant; peasant-farming families (the majority of the population) will have fewer workers and more dependants, while industry and the state apparatus will lose skilled people.

33. The focus of the new strategy is to target people who have casual sexual relations (an estimated 1.6 million in 1999) and those living with HIV/AIDS (approximately 15,000) and to ensure access to essential and high-quality prevention methods. This involves more work with vulnerable groups, high-risk groups, such as the young and highly mobile people, and more inter-ministerial cooperation to involve sectors such as education, agriculture, youth and others as part of setting up channels to reach all target groups. Promotion of condom use, sex education, treatment for sexually transmitted diseases, counselling and voluntary testing, and strengthening the negotiating power of women and girls are seen as essential. Even so, the aims of the national strategy seem modest, for example, to have one third of adults using condoms during casual sexual relationships.

VI. Initiatives of the United Nations system: overview

34. In a country that has 23 bilateral donor partners and 10 multilateral donor partners, the United Nations system has a special role to play in coordination and in providing independent advice and support to the Government. Although the United Nations system remains a small donor in financial terms, it has a significant role to play in advocacy, in the coordination of donor funds and the provision of technical assistance. These strengths were underlined in the joint review by the Government and the United Nations system of Strategic Objective One of the United Nations Development Assistance Framework (UNDAF) in November 1999. A clear comparative advantage in the areas of policy dialogue and advocacy was acknowledged, in particular in joint or collaborative interventions.

35. In 1999, there was a more determined move among United Nations agencies to advocate the promotion of a rights-based approach to development. The underlying principles of this approach are set out in such instruments as the Convention on the Rights of the Child and the Universal Declaration of Human Rights, to which Mozambique is a signatory. The United Nations system has a special role in helping the Government to reach the targets set at various United Nations conferences on, for example, education for all, the rights of the child, women, population and development, and social development. There was more emphasis on determining targets in the national context, checking progress towards these, and on capacitating those in society who are ultimately responsible for seeing that rights are achieved.

36. In 1999, there was also a broadening of partnerships by the United Nations system, with increased outreach to civil society in the implementation of activities. For example, gender planning activities of the United Nations Population Fund (UNFPA) has included work with local non-governmental organizations, while advocacy on HIV/AIDS has seen UNDP provide briefings for the business sector, and the World Food Programme (WFP) has secured private sector sponsorship for a secondary school disaster prevention campaign. In addition, the United Nations system is supporting an initiative in Zambezia province, working with local and national authorities and non-governmental organizations to pilot follow-up to the principles set forth by the Fourth World Conference on Women, which will contribute lessons for shaping national and, it is hoped, international policies.

37. The review of Strategic Objective One of UNDAF reconfirmed that the United Nations system in Mozambique can be more effective when agencies act jointly rather than compete, and if they work within a shared planning cycle. The first step in rationalizing and providing a focus for assistance from the United Nations agencies, within a consolidating framework, began with the development of the common country assessment of 1997. Subsequently, Mozambique was selected as one of 11 countries in which the UNDAF concept was piloted. The Mozambique UNDAF, approved in May 1998, identified three strategic objectives, encompassing 11 programme areas for cooperation within the four-year period 1998-2001. The goals identified for each area were anchored in approved national priorities, within which cooperation programmes of individual agencies were also formulated and approved by their respective governing bodies. The first full year of operation of the Mozambique UNDAF was 1999, followed by a review which indicated that United Nations activities in Mozambique were following that approach.

VII. Update on initiatives

Strategic Objective One: Increase of access to, and quality of, basic social services and employment

Education

38. **Developing teacher training and education for girls**. The Government's goals are to make rapid progress towards universal primary education, to increase access for girls, and to raise the quality of education. This is set out in the education strategic plan, completed in 1998 with strong support from the United Nations Educational, Scientific and Cultural Organization (UNESCO) and UNDP, which had also supported the Ministry of Education in its negotiations with donors on financing. Since then, UNESCO and other partners have been active in supporting curriculum reform and teacher development. Mozambique aims to have a rapid increase in the quantity and quality of primary education; UNDP is supporting teacher training but has had to reduce its support to education because of funding cuts. UNESCO is also helping in the design of a distance education system to upgrade teachers. Malnutrition remains a problem, and WFP supports both a schools feeding programme and a school building programme. Assistance is also provided by WFP to the secondary schools programme, with the aim of encouraging girls to remain in school. UNICEF is focusing mainly on primary education and seeks to respond to teacher development and the provision of learning materials. Four UNESCO-sponsored chairs have been created in coastal zone management, tropical medicine, environment and teacher development. During the 1999 joint annual review by the Government and donors of the education strategic plan, the United Nations agencies were instrumental in having HIV/AIDS introduced as a component.

Health

39. **Supporting sustainable standards of national health systems**. The Ministry of Health wants to substantially increase access to health services, in particular for mothers and children in rural areas, improve the quality of such services, reduce regional disparities and combat the major epidemics as a way of improving the very poor health indicators. Attempts to reduce the very high incidence of maternal mortality have been targeted in a joint programme by the World Health Organization (WHO), the United Nations Children's Fund (UNICEF), UNFPA and WFP. Malaria remains Mozambique's biggest killer and also is one of the greatest disease burdens, which reduce productivity. Combating the epidemic is a governmental priority, and WHO and UNICEF are providing key technical support to the roll back malaria initiative in Mozambique. These two agencies have also begun a pilot programme to promote the home use of insecticide-impregnated mosquito nets throughout Zambezia province, and to ensure the availability of chloroquine from local shops so as to encourage early home-based treatment; this involves work with governmental bodies, non-governmental organizations and the private sector. UNICEF and WHO continue to support national immunization days and have been instrumental in returning vaccination levels to the high standard of the early 1990s. In 1999, WHO and UNICEF supported the Government in the conclusion of its three-year national vaccination campaign to eradicate polio, which involved extensive mobilization and the vaccination of virtually all children in the country. The United Nations system also works in areas which are of interest to the Government but not fashionable with donors, such as nutrition (WHO, UNICEF) and environmental health (WHO). United

Nations agencies are also involved in training and in the construction of new health facilities. The level of specialist care in the country is severely limited, and UNDP is managing a third-party financed programme to provide a core group of medical specialists in critical areas to the Maputo Central Hospital, as well as to all main provincial hospitals. The UNDP global project addressing the socio-economic reintegration of landmine victims will initiate an assessment of needs and some pilot activities in the coming year. Finally, other areas in which various United Nations agencies are involved include the development of health policy and of a national strategic plan for health, staff training, and the improvement of health services management.

Water and sanitation

40. **Increasing household access to safe water and adequate sanitation**. UNICEF is actively working in peri-urban and rural areas on hygiene and sanitation. This involves improved planning and popular mobilization, in partnership with non-governmental organizations and governmental bodies. Related to this is its work in the peripheral areas of four cities that have had cholera outbreaks. Under an integrated programme of water-point construction and community training in maintenance and management, UNICEF assisted an estimated 57,000 persons to gain access to safe water in Sofala, Nampula and Zambezia provinces. UNICEF also supported the development of a national water policy and the national sanitation strategy, both of which give a greater role to the participation of the private sector and communities in the implementation and management of these services. UNDP, which also supported the national sanitation strategy, managed its exit from the low-cost sanitation area in 1999 in coordination with UNICEF, after a cooperative effort with the Government and the Netherlands that saw expansion of the programme into rural areas and the introduction of a widely tested construction technology. UNDP continued its support to the implementation of the national water policy, assisting the National Water Directorate in defining public policies in the management of water resources and in promoting the reform process of the sector. Support was also provided to strengthen the participation of Mozambique in, and its input to, international negotiations on shared rivers, and funds were mobilized for a full-time representative at the regional water secretariat of the Southern African Development Community in Lesotho.

Strategic Objective Two: To foster the development of an enabling environment for sustainable human development and a culture of peace

41. Mine action demonstrates a way to foster a culture of peace, both through the employment of demobilized soldiers and the clearance of landmines and unexploded ordnance so as to allow land once again to be used for productive purposes.

Governance

42. **Strengthening of national institutions, economic management, decentralization processes and civil society**. National elections in 1999 provided a focus for work, but support for governance issues was much broader. UNDP is the main agency in this sector, coordinating donor funds and providing other support for the election administration (funding and technical support for the election process itself) and the parliamentary process (in particular in providing support for the secretariat). Police are being retrained under a broad reform programme, and there is support for improving the at present very weak judicial and prison systems. Decentralization is being supported with training so as to respond to the very low education levels of civil servants, and with the development of budget and planning systems. Good governance is also about creating an enabling environment for sustainable development and, in this context, UNDP is trying to promote more open policy debate which permits the development of alternative development frameworks and strategies. As part of this effort, UNDP published the first *Mozambique Human Development Report* in 1999. UNESCO, with its advocacy for the creation of a culture of peace, UNICEF, the programme of which is strongly oriented by the Convention on the Rights of the Child, and other agencies are also working with the Government and other partners on promoting a human rights approach to development, that is, that people have a right to development and that strategies must be adopted to ensure that these rights are guaranteed. The Food and Agriculture Organization of the United Nations (FAO) assisted in the preparation of the regulations for the new land law. UNESCO and UNDP are supporting a programme for the development of

independence in the local media in order to increase debate and the flow of information. Improving statistical services receives support from the executing agencies in their areas of responsibility — the results of the 1997 Population and Housing Census were published in 1999, ahead of schedule. Although the war ended in 1992, the 1999 elections, as well as the prevailing high levels of poverty, showed that tensions remain, which underlines the importance of work by UNESCO and others in advocating a culture of peace.

43. The Office of the High Commissioner for Refugees (UNHCR) has worked towards creating an enabling environment for the local integration of refugees in Mozambique. To this end, UNHCR has supported the Government in fulfilling its obligations, as outlined in the 1951 Convention relating to the Status of Refugees and the Convention Governing the Specific Aspects of Refugee Problems in Africa, adopted by the Organization of African Unity (OAU) in 1969. The support includes legal advice on eligibility procedures in accordance with Mozambican law, as well as the provision of assistance to refugees and asylum seekers in two refugee centres. The planned closure of the office at Maputo in 1999 has been postponed owing to the increasing numbers of refugees entering the country.

HIV/AIDS

44. **Supporting the development and implementation of a comprehensive multisectoral response to HIV/AIDS**. The highest priority of the United Nations system in Mozambique in 1999 was HIV/AIDS, and it is probably the area in which the United Nations had greatest impact. The United Nations system was instrumental in assisting the Government to draft an HIV/AIDS national strategic plan in 1999. Under a system of rotating leadership, UNFPA, UNDP, UNICEF, UNESCO, WFP and WHO were also involved in drawing up the national strategic plan. In some ways, HIV/AIDS shows the importance of the new thematic and cooperative structure of the United Nations system, because it means that the issue permeates all others, ranging from education to the question of food security for the families of people with HIV/AIDS. In addition, HIV/AIDS has become the central focus of another area under this objective — the special needs of children, youth and adolescents — with particular attention being paid to AIDS orphans, children infected by HIV/AIDS, and special prevention campaigns for young people. UNICEF is supporting the development of a programme for children orphaned because of AIDS. The HIV/AIDS theme group has also provided support for an awareness campaign focusing on AIDS in the workplace within government and has also launched an initiative within the United Nations system.

Gender

45. **Promoting gender equity and full and equal participation of women in economic and social development**. Gender assumed renewed impetus as an advocacy issue in 1999 under the leadership of UNFPA, and there have already been some successes. Building on the coordinated approach at work among the United Nations agencies, an expanded donor working group was formalized. At the output level, UNDP and UNFPA co-financed and supported the Government in the preparation of the first report on the Convention to Eliminate All Forms of Discrimination against Women. With the new Government, the Ministry of Social Action was transformed into the Ministry of Women and Social Action at the end of 1999 and will continue to have responsibility for gender activities agreed with the United Nations system. As part of the ongoing work in Zambezia province, UNFPA is supporting the development of the first provincial gender plan and UNICEF has worked with education directors in a pilot project which, in 1999, was shown to raise progress levels and achievement rates of girl pupils in schools.

Strategic Objective Three: To promote the sustainable management of natural resources

Environment and natural resource management

46. **Supporting land, forestry, air, and water conservation and use management**. The Mozambican master plan for the environment containing a national policy, legislation and strategy is reflected in the National Environment Management Programme. The overall objective is to address environmental management as a vital component of the working programme of the Government of Mozambique, aimed at poverty eradication and the creation of conditions for sustainable development. In 1999, the United Nations executing agencies, mainly UNDP and FAO, continued

to provide support to the Government of Mozambique in its efforts to reach a sustainable use of the natural resources in the country. The principal areas of focus were institutional development, policy development, including legislation, coordination of natural resource management, urban and coastal zone management, environmental promotion, education and training and intersectoral coordination. Assistance was also provided to the Ministry of Agriculture and Fisheries in the promotion of community participation in the management of natural resources. The assistance provided covered technical assistance and support for the preparation of legislation.

Disaster management

47. **Enhancing effective disaster management for prevention, preparedness and response.** Mozambique has suffered from a wide range of natural and man-made disasters. The Government's priority is to reduce the loss of life and damage to natural disasters and to protect vulnerable communities from natural and man-made disasters. With the aim of establishing mechanisms to respond when disasters occur, the Government sought WFP and UNDP assistance for the preparation of a new national disaster policy that was approved in 1999. This led to the setting up of the National Institute for the Management of Disasters. WFP supported the National Institute in the elaboration of national disaster profiles by type of calamity. A training project for disaster management was initiated in 1999 and is currently being implemented by WFP, with financing from UNDP.

Food security

48. **Supporting policies and programmes which enhance food access, availability and utilization.** Given the demographic profile of the country and the rural incidence of poverty, exacerbated by prevailing food insecurity in some rural areas and growing insecurity in the urban areas, most agencies have food security aspects in their programmes. FAO and UNDP, working in partnership with other donors, have been strongly involved in developing an implementation plan for the five-year agricultural programme for the family sector, ProAgri. The provision of support by UNDP in 1999 enabled the preparation of the first annual provincial plans and budgets, while FAO has continued to chair the donor coordination group and, in this capacity, interacts with the Ministry of Agriculture on a variety of operational and sensitive issues. FAO is implementing the special programme for food security, addressing various aspects of sustainable food security and forestry management. Further assistance was provided in the areas of wildlife and forestry legislation, marketing regulations and fostering private sector initiatives. The United Nations is supporting the Government in the implementation of a national food security and nutrition strategy, at both the provincial and national levels.

Other areas

49. The United Nations system still has important projects outside these areas. Demining will remain essential for Mozambique for many years to come, with an estimated 700,000 to 900,000 landmines still in place. UNDP supports the accelerated demining programme which operates in the three southern provinces, and is working with other partners to help improve the planning and management capacity of the national coordinating institute. UNICEF is the focal point in the United Nations system for mine awareness and education. Mozambique Island is a UNESCO World Heritage Site, and in 1999 UNESCO and UNDP co-hosted, with the Government, a donor conference to help to mobilize resources to rehabilitate the historic parts of the island and to improve conditions for the people who live there.

Looking ahead

50. Reconciliation and recovery in Mozambique have been remarkable but remain fragile and incomplete. Major floods in February 1999 and February 2000 illustrated how fragile the foundations of the country's recent economic performance remain and how much more work will be needed to reduce poverty to a level where the country can stand alone. At the time of preparation of the present report, Mozambique was facing devastating floods in the south and centre of the country that occurred in February-March 2000, and an estimated 490,000 persons had been displaced or trapped in isolated areas. Many of them had only resettled after the end of the civil conflict in 1992. In addition to considerable emergency aid, Mozambique will need substantial assistance for the rehabilitation and reconstruction of roads, railways, irrigation systems and factories, and the livelihoods of ordinary people. The United Nations system must continue to play its vital role in supporting the Government in

advocacy, priority setting and in mobilizing and directing development assistance towards broad-based human development.

Notes

[1] United Nations Development Programme, *Human Development Report, 1999* (New York, Oxford University Press, 1999).